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FACT SHEET

Afghanistan Small and Medium Enterprise Development

OVERVIEW

USAID's Afghanistan Small and Medium Enterprise Development (ASMED) project increases opportunities for trade, employment, and investment by improving private sector productivity. Through ASMED, USAID provides a wide range of business development services to encourage the establishment and growth of small and medium enterprises (SMEs), which serve as a major driver of Afghanistan's economic development. The project builds the capacity of business associations to provide valuable member services and to serve as the voice of their members, advocating for policy reforms that support private sector development. USAID also facilitates public-private partnerships and supports practical business training for Afghanistan's private sector leaders of tomorrow. Finally, ASMED facilitates internal and external market linkages for Afghan SMEs, improving product value chains in key sectors such as carpets, marble, wool and cashmere, dried fruits and nuts, food processing, gemstones, and handicrafts.

ACTIVITIES

- **Market Information** – Generating and disseminating market information to the private sector, including analyses of potential high-growth sectors in Afghanistan, market research to improve access to finance for small businesses, and implementing a market information system for entrepreneurs in high-risk areas.
- **Business Associations** – Strengthening the capacity of business associations to serve their members through initiatives such as trade promotion and advocacy for regulatory reforms that advance private sector growth. Providing small grants for market and association development.
- **Business Development Services** – Creating business development service firms to provide training – in management, accounting, marketing, export promotion, and support services to value chains – to enable SME owners to establish market linkages and expand their businesses.
- **Global Development Alliances (GDAs)** – Promoting public-private partnerships to encourage investment, expand provincial and regional economies, and create sustainable livelihoods.
- **Human Capacity Building** – Building human capital within the private sector through specialized training courses, leadership training, mentoring programs, and nationwide internship programs in partnership with several universities, business training providers, and leading private sector firms.

RESULTS

- Provided 550 business skills training sessions throughout the country.
- Created an estimated 25,000 full-time equivalent jobs since late 2006.
- Supported 6,370 Afghan businesses and facilitated access to bank loans and equity for 64 of those companies.
- Established more than 120 (including 27 women-run) business associations and supported more than 230 associations with grants for equipment, capacity building, and improving member services.
- Launched 16 GDAs leveraging nearly \$17.5 million from private sector partners in insurance, apparel, natural resource extraction, IT, communications/media, and food processing.
- Provided 137 small grants totaling \$3.45 million for market development, value chain improvement, and association capacity building.
- Established an internship program benefitting 1,025 university students (25 percent women). Approximately 75 percent of the graduated interns have received full-time employment offers from their host companies.
- Offered 521 professional mentorship opportunities, linking young entrepreneurs with business executives.
- Conducted or sponsored 20 market assessments and widely disseminated results to share information about business development and investment opportunities.
- Facilitated the sale of more than \$30M of Afghan SME products at national and international trade shows.